COVID-Specific Loans for Businesses: An Overview

Much has been written about the different loan programs available for small and mid-sized businesses. NPMA has gathered the basic pertinent information about each into one reference document. Any questions, contact Ashley Amidon, VP of Public Policy at aamidon@pestworld.org.

Small & Mid Sized Businesses (10,000 or fewer employees)

Loan: Main Street program
Details: The Main Street Lending program was created to support lending to small and medium-sized businesses that were in sound financial condition before the onset of the COVID-19 pandemic. The Program will operate through three facilities: the Main Street New Loan Facility (MSNLF), the Main Street Priority Loan Facility (MSPLF), and the Main Street Expanded Loan Facility (MSELF). NPMA’s full description is available here.
Accepting Applications? NOT YET. The Treasury plans on having applications open in 1-2 weeks.
Application information: Once the program opens, application information will be available here.
Questions: The Treasury released an FAQ on 4/30/20 available here.

Small Businesses (500 or fewer employees)

Forgivable Loan: PPP
Details: The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. You can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating.
Accepting Applications? YES as of 4/30/20.
Application information: Information for borrowers can be found here and the application is here.
Questions: Treasury and SBA released an updated FAQ document on the PPP program available here on 4/29/20. NPMA has several questions in the FAQ covering aspects of PPP available here.

Loan: EIDL
Details: The SBA’s Economic Injury Disaster Loan (EIDL) program provides small businesses with working capital loans of up to $2 million to help overcome the temporary loss of revenue. The loans may be used to pay fixed debts, payroll, accounts payable, or other bills that can’t be paid because of the COVID-19 outbreak. The interest rate is 3.75% for small businesses without credit available elsewhere, and businesses with credit available elsewhere are not eligible to apply for assistance. The maximum term is 30 years.
Accepting Applications? NO. Funding has lapsed and unless and until Congress appropriates more money this loan program has been exhausted.
Application information: If and/or when applications reopen information will be available here.
Questions: The House Small Business Committee has prepared an FAQ here.